

Message Text

CONFIDENTIAL

PAGE 01 QUITO 00155 01 OF 04 102223Z

ACTION ARA-14

INFO OCT-01 ISO-00 CIAE-00 DODE-00 PM-05 H-01 INR-07

L-03 NSAE-00 NSC-05 PA-01 PRS-01 SP-02 SS-15

USIA-06 SSC-01 TRSE-00 /062 W

-----109825 110044Z /75

P R 102050Z JAN 78

FM AMEMBASSY QUITO

TO SECSTATE WASHDC PRIORITY 6858

INFO AMEMBASSY LA PAZ

AMEMBASSY LIMA

AMEMBASSY SANTIAGO

USCINCSO QUARRY HTS CZ

C O N F I D E N T I U L SECTION 1 OF 4 QUITO 0155

E.O. 11652: GDS

TAGS: PINT, EC

SUBJECT: ECUADOR'S RETURN TO CONSTITUTIONAL DEMOCRACY:
AN ALTERNATIVE ROUTE?

1. SUMMARY: A FEW DAYS PRIOR TO THE REFERENDUM TO SELECT A CONSTITUTION FOR AN ELECTED CIVILIAN GOVERNMENT LATER THIS YEAR THERE IS STILL MUCH TALK ABOUT INTERRUPTING THE CURRENT PROCESS AND CHOOSING AN ALTERNATIVE ROUTE. MUCH OF THE CONJECTURE HAS TO DO WITH THE FRONT-RUNNING ROLE FOR THE PRESIDENCY THAT ASSAD BUCARAM CURRENTLY ENJOYS AND THE FEAR AND CONCERN THAT THIS POSSIBILITY EVOKES AMONG POWER GROUPS, ESPECIALLY THE MILITARY, BUSINESS, AND POLITICAL PARTIES. ALTERNATIVES MENTIONED INCLUDE THE PERPETUATION OF MILITARY GOVERNMENT THROUGH AN "AUTO-GOLPE", THE INTERPOSITION OF SOME KIND OF A PROVISIONAL PRESIDENCY, THE CONVOCAION OF A CONSTITUENT ASSEMBLY, OR UTILIZING SOME SUBTERFUGE TO DISQUALIFY BUCARAM. HOWEVER, THE COMPETING POWER GROUPS, JEALOUS OF THEIR INSTITUTIONAL INTERESTS, WILL PROBABLY HAVE GREAT DIFFICULTY IN AGREEING ON A MUTUALLY SATISFACTORY SOLUTION TO THEIR PROBLEM. THE RESULT OF
CONFIDENTIAL

CONFIDENTIAL

PAGE 02 QUITO 00155 01 OF 04 102223Z

SUCH IS AS LIKELY AS NOT TO BE INDECISION AND FURTHER VACILLATION UNTIL A BUCARAM PRESIDENCY SEEMS MUCH MORE OF A CERTAINTY THAN IT APPEARS NOW. US REACTION TO ANY CHANGE IN THE RETORNO PROCESS SHOULD BE GEARED TO WHETHER THE LIKELIHOOD OF THE ALTERNATIVE REPRESENTS GENUINE, IF ALBEIT DELAYED, PROGRESS TOWARD THE GOAL OF REPRESENTATIVE GOVERNMENT. END SUMMARY.

2. THE PROCESS OF RETURNING ECUADOR TO CONSTITUTIONAL DEMOCRATIC GOVERNMENT WILL REACH A SIGNIFICANT MILESTONE ON JANUARY 15 WITH A REFERENDUM TO SELECT ONE OF TWO CONSTITUTIONAL ALTERNATIVES. ACCORDING TO THE PLAN DICTATED BY THE MILITARY GOVERNMENT THE INITIAL ROUND OF PRESIDENTIAL ELECTIONS WILL OCCUR ON JULY 16. THAT THE CUMBERSOME TRANSITION PROCESS HAS GOTTEN THIS FAR CONTRADICTS THE SKEPTICISM THAT HAS DOGGED THE PATH OF RETORNO; BUT CONSIDERABLE DOUBT PERSISTS AMONG ECUADOREANS AS TO HOW MUCH FURTHER THE PROCESS WILL ADVANCE, PARTICULARLY IN THE FORM LAID DOWN BY THE MILITARY GOVERNMENT. THE RESULTS OF THE REFERENDUM WILL BE REPORTED AS SOON AS THEY ARE KNOWN, AND THERE WILL BE FOLLOW-UP ANALYSIS OF THOSE RESULTS. THE PURPOSE OF THIS CABLE IS TO DISCUSS THE CURRENT PROSPECTS FOR ECUADOR'S RETURN TO CONSTITUTIONAL RULE AND ALTERNATIVE ROUTES THAT MIGHT BE TAKEN SHOULD THE CURRENT BREAK DOWN.

A. BUCARAM - THE KEY

3. DOUBTS ABOUT THE RETORNO PROCESS STEM CHIEFLY FROM THE POSITION OF ASSAD BUCARAM AS THE FRONT-RUNNER IN THE PRESIDENTIAL RACE AND THE BELIEF THAT THE OPPOSITION TO BUCARAM IS SO FIERCE AMONG MILITARY, THE WELL-TO-DO, AND TRADITIONAL POLITICAL GROUPS THAT HE WILL NEVER BE ALLOWED

CONFIDENTIAL

PAGE 03 QUITO 00155 01 OF 04 102223Z

TO ASSUME THE PRESIDENCY. SINCE TO CONTINUE STOLIDLY ALONG THE RETORNO COURSE SET BY THE GOVERNMENT WOULD STRONGLY FAVOR BUCARAM'S CHANCES, SPECULATION HAS INCREASED IN RECENT WEEKS ABOUT THE INTERPOSITION OF AN ALTERNATIVE TO THIS MECHANISM.

4. IN ORDER TO UNDERSTAND AND ASSESS THE POSSIBILITY OF THE ALTERNATIVES, IT IS USEFUL, FIRST, TO EXAMINE BUCARAM'S POSITION IN ECUADOREAN SOCIETY AS WELL AS THE MOTIVES AND OBJECTIVES OF THE POWER GROUPS WHICH WILL LIKELY DETERMINE THE POLITICAL COURSE THAT ECUADOR WILL EVENTUALLY TAKE. THE VEHEMENT AND FANATICAL OPPOSITION THAT BUCARAM EVOKES AMONG MOST "ESTABLISHMENT" ECUADOREANS DERIVES FROM TWO BASIC FACTORS: 1) HIS NON-SPANISH PARENTAGE, LACK OF FORMAL EDUCATION, UNCOUTHNESS, UNPREDICTABILITY, AUTHORITARIAN PERSONALITY, HIS CHOSEN ALIENATION FROM THE ACCEPTED POWER CONTENDERS, AND HIS HONESTY; AND 2) THE FEAR THAT, WITH HIS BACKGROUND AND POPULIST BASE, HE WOULD LIKELY CHANGE THE RULES OF THE POLITICAL GAME AND WITH THIS THE DISTRIBUTION OF WEALTH, POWER AND PERQUISITES. THE FIRST FACTOR HAS RACIAL AND ETHNIC DISCRIMINATORY TONES WHILE THE SECOND IS TINGED WITH THE CONCEPT OF

CLASS CONFLICT. THERE ARE VARYING OPINIONS AMONG
OBSERVERS AND ANALYSTS (INCLUDING THOSE OF THE EMBASSY)
AS TO WHICH OF THESE FACTORS IS MOST IMPORTANT, AND, OF
COURSE, THEY ARE NOT EXCLUSIVE BUT OVERLAP AND ARE REIN-
FORCING. THOSE WHOSE FEARS ARE LARGELY THAT BUCARAM'S
ASCENSION TO THE PRESIDENCY MIGHT DISPOSESS THEM OF
POWER ATTACK HIM ON PERSONAL GROUNDS AND MANY OF THOSE
WHO SINCERELY STRESS WHAT SOME OF THEM REFER TO AS HIS
"SUB-HUMAN" CHARACTER MAY SUBCONSCIOUSLY BE VOICING CONCERN
ABOUT WHAT WOULD HAPPEN SHOULD THE UNLETTERED, UNWASHED
MASSES THAT SUPPORT DON BUCA PUT THEIR ANTI-ESTABLISHMENT
LEADER IN POWER. WHATEVER THE RELATIVE STRENGTH OF THE
TWO FACTORS CITED, THEY RESULT IN THE SAME END: A STRONG
REVULSION TOWARD AND FEAR OF BUCARAM WHICH LEADS MOST
CONFIDENTIAL

CONFIDENTIAL

PAGE 04 QUITO 00155 01 OF 04 102223Z

TRADITIONAL POWER CONTENDERS TO WANT TO BLOCK HIS
ACCESS TO THE PRESIDENCY.

5. IT IS INSTRUCTIVE TO COMPARE BUCARAM WITH JOSE MARIA
VELASCO IBARRA. SINCE THE EARLY 1930'S THE ESTABLISHMENT'S
SOLUTION TO THE POPULIST THREAT WAS TO CO-OPT IT IN THE
PERSON OF VELASCO IBARRA. VELASCO WAS THE PERSONIFICA-
TION OF THE POPULIST DEMAGOGUE, WITH THE CRUCIAL DIFFERENCE

CONFIDENTIAL

NNN

CONFIDENTIAL

PAGE 01 QUITO 00155 02 OF 04 102241Z
ACTION ARA-14

INFO OCT-01 ISO-00 CIAE-00 DODE-00 PM-05 H-01 INR-07
L-03 NSAE-00 NSC-05 PA-01 PRS-01 SP-02 SS-15
USIA-06 SSC-01 TRSE-00 /062 W
-----109959 110044Z /75

P R 102050Z JAN 78
FM AMEMBASSY QUITO
TO SECSTATE WASHDC PRIORITY 6859
INFO AMEMBASSY LA PAZ
AMEMBASSY LIMA
AMEMBASSY SANTIAGO
USCINCSO QUARRY HTS CZ

C O N F I D E N T I A L SECTION 2 OF 4 QUITO 0155

THAT HE HIMSELF WAS A PRODUCT OF THE OLIGARCY AND WHEN IN OFFICE REPRESENTED NO BASIC THREAT TO ITS INTERSTS. VELASCO WAS THUS ABLE TO UNITE BEHIND HIS CANDIDACIES BOTH THE UNDERDOGS AND MEMBERS OF THE OLIGARCHY. HE WAS DEPOSED FOUR TIMES. ON THE FIRST THREE OCCASIONS HE WAS OUSTED WHEN HIS INEPTNESS AS AN ADMINISTRATOR, IN CONTRAST TO HIS MATERFULNESS AS A VOTE-GETTER, THREATENED TO PLUNGE THE COUNTRY INTO THE KIND OF ECONOMIC CHAOS THAT THE ESTABLISHMENT COULD NOT AFFORD. HIS LAST OVERTHROW IN 1972 WAS DIRECTED NOT SO MUCH AT VELASCO AS AT THE SPECTRE THAT A POPULIST FOLLOWING WAS GOING TO SWEEP THE UN-ECUADOREAN, NON-MANAGEABLE BUCARAM INTO POWER.

6. IT SHOULD BE NOTED, HOWEVER, THAT ALTHOUGH BUCARAM IS PERSONALLY REPUGNANT TO MOST MEMBERS OF THE TRADITIONAL RULING CLASS, AND ALTHOUGH HE IS FEARED BECAUSE OF THE POPULIST FOLLOWING HE LEADS, THERE IS AN INCREASING NUMBER OF INFLUENTIAL PEOPLE WHO ARE SAYING THAT SHOULD THE RETORNO PROCESS PROCEED AS OUTLINED AND SHOULD BUCARAM WIN THE ELECTION THAT HE SHOULD BE PERMITTED TO

CONFIDENTIAL

CONFIDENTIAL

PAGE 02 QUITO 00155 02 OF 04 102241Z

TAKE POWER. PROPONENTS OF THIS REPRESENT A SMALL MINORITY WITHIN THE ACCEPTED POWER CONTENDERS, BUT THEIR NUMBER IS LARGER THAN IT WAS A YEAR AGO WHEN THE RETORNO PROCESS WAS GETTING UNDERWAY, AND IT INCLUDES PEOPLE ACROSS THE POLITICAL SPECTRUM, INCLUDING SOME MILITARY. MOST OF THEM ALSO FIND BUCARAM LACKING PERSONALLY, BUT BELIEVE THAT FEARS OF HIM ARE EXAGGERATED AND THAT THE DEMOCRATIC PROCESS SHOULD BE FOLLOWED.

B. THE ANTI-BUCARAM GROUPS

7. THE MOST FORMIDABLE OPPONENT OF BUCARAM'S CANDIDACY IS THE MILITARY. WHILE MOST ECUADOREAN MILITARY OFFICERS COME FROM NON-OLIGARCHIC, IF NOT HUMBLE, ORIGINS, THEY LARGELY SHARE THE CONSERVATIVE OUTLOOK OF THE ECUADOREAN UPPER AND MIDDLE CLASSES. MOST OFFICERS OF THE HIGHER RANKS DESPISE BUCARAM NOT ONLY BECAUSE OF HIS PERSONAL SHORTCOMINGS, BUT BECAUSE THEY ARE ALSO AFRAID THAT HE MIGHT BE UNCONTROLLABLY VINDICTIVE TOWARD THEM. THE MILITARY CARRIED OUT ITS 1972 COUP TO A GREAT EXTENT BECAUSE OF THE INCREASING PROBABILITY THAT BUCARAM WOULD WIN THE PRESIDENTIAL ELECTIONS SCHEDULED FOR JUNE OF THAT YEAR. SIX YEARS LATER THE SITUATION MAY BE REPEATING ITSELF.

8. HOWEVER, THE MILITARY, AS IT LOOKS AT ITS ROLE IN GOVERNMENT, IS NOT SOLELY MOTIVATED BY AN ANTI-BUCARAM ATTITUDE. WHEN THE PRESENT TRIUMVIRATE DESPOSED THE DISCREDITED RODRIGUEZ LARA "NATIONALIST REVOLUTIONARY" GOVERNMENT IN 1976, IT HAD TO JUSTIFY ITSELF PARADOXICALLY AS SEIZING POWER IN ORDER TO BRING BACK CIVILIAN, CONSTITUTIONAL GOVERNMENT. OTHER MOTIVES, HINTED AT OR UNSAID IN PUBLIC, INCLUDED AND STILL INCLUDE, 1) THE DETERMINATION
CONFIDENTIAL

CONFIDENTIAL

PAGE 03 QUITO 00155 02 OF 04 102241Z

NOT TO LOSE FACE (AS THEY DID IN 1966) BY BEING FORCED OUT OF OFFICE; B) TO DELAY THE CONVOCAION OF A LEGISLATURE IN ORDER TO GUARD THEMSELVES AGAINST THE POST-RETORNO SNIPING AND INVESTIGATIONS OF THEIR MALFEASANCE; C) THE INTENTION TO PROMOTE A CIVILIAN POLITICAL STRUCTURE THAT REDUCES TRADITIONAL FRAGMENTATION (AND WHICH, INCIDENTALLY, CAN PRODUCE A COALITION STRONG ENOUGH TO BEAT BUCARAM), AND D) THE DESIRE TO HANG ON TO POWER LONG ENOUGH TO CONCLUDE THE MOST AMBITIOUS DEFENSE MATERIAL BUILD-UP IN ECUADOR'S HISTORY (AND LONG ENOUGH, INCIDENTALLY, TO LINE THEIR OWN POCKETS IN THE PROCESS). EXCEPT FOR THE FAILURE TO CHANGE THE POLITICAL STRUCTURE, THE MILITARY, IF IT REMAINS BEHIND THE PRESENT RETORNO PROCESS, WILL HAVE ACHIEVED ALL THESE OBJECTIVES, THEREBY REDUCING THEIR INCENTIVE TO DEVIATE FROM THE SCRIPT. MOREOVER, THERE IS MUCH EVIDENCE THAT THE MILITARY (AND ALLOWANCES MUST BE MADE FOR GENERALIZATIONS HERE) IS READY TO GET BACK TO THE BARRACKS. THEY SEE THE MILITARY INSTITUTION BEING CORRODED BY CORRUPTION AT HIGH LEVELS AND THEY PERCEIVE THAT SOME OF THEIR MOST VITAL COMMANDS HAVE BEEN SHORTCHANGED WITH LEADERSHIP THROUGH THE MILITARY'S ABSORPTION WITH POLITICAL PROBLEMS. IT ALSO MUST BE SAID THAT THE PUBLIC PATIENCE WITH ARBITRARINESS AND MALADMINISTRATION OF MILITARY RULE WOULD BE WEARING PERCEPTIBLY THINNER IF THE MILITARY GOVERNMENT HAD NOT ALREADY PLEDGED TO DECAMP.

9. THE BUSINESS SECTOR HAS MIXED FEELINGS ABOUT THE RETORNO PROCESS, AND SOME PROMINENT BUSINESS LEADERS ARE BEGINNING TO ADOPT PUBLIC POSITIONS AGAINST IT. THE QUITO-BASED BUSINESS COMMUNITY, IS RATHER INDIFFERENT TO THE RETURN TO CIVILIAN RULE. POWER HAS ACCRUED TO QUITO DURING MILITARY RULE AND QUITO BUSINESS LEADERS HAVE BEEN ABLE TO ESTABLISH A COMFORTABLE AND PROFITABLE RELATIONSHIP WITH THE MILITARY. THEY WOULD BE HAPPY, BY AND LARGE, TO SEE THE CONTINUATION OF MILITARY RULE.
CONFIDENTIAL

CONFIDENTIAL

PAGE 04 QUITO 00155 02 OF 04 102241Z

THEY GUAYAQUIL BUSINESS COMMUNITY IS MORE SUPPORTIVE OF REPRESENTATIVE GOVERNMENT IN PRINCIPLE BECAUSE OF THE HEAVILY SERRANO ORIENTATION OF THE MILITARY, THE NEED TO ESTABLISH MORE DIFFICULT AND DEVIOUS RELATIONSHIPS IN ORDER TO GET POLITICAL FAVORS DONE, AND THEIR ABILITY TO EXERT GREATER CONTROL OVER GOVERNMENT IN A SYSTEM IN WHICH POLITICIANS ARE SEEKING FINANCIAL SUPPORT. HOWEVER, IT IS PRECISELY THE GUAYAQUIL BUSINESSMEN WHO KNOW BUCARAM BEST, AND WHO FEAR HIM MOST. THEY WOULD PROBABLY GRASP AT NEARLY ANY STRAW TO KEEP BUCARAM OUT. (THIS DOES NOT, HOWEVER, KEEP SOME OF THEM FROM CONTRIBUTING TO HIS CAMPAIGN FUND AS A FORM OF INSURANCE SHOULD HE LATER COME TO POWER.)

10. THE TRADITIONAL POLITICAL PARTIES, WHILE DISMAYED AND DISPAIRING ABOUT BUCARAM'S PERCEIVED LEAD, SEEM LESS ALARMED THAN EITHER THE MILITARY OR BUSINESS COMMUNITY BY THE PROSPECT OF HIS COMING TO POWER. CERTAINLY THE PROSPECT HAS NOT DRIVEN THEM TOGETHER IN TIGHT ANTI-BUCARAM COALITIONS WHICH WOULD ENABLE THEM TO DEFEAT HIM AT THE POLLS.

CONFIDENTIAL

NNN

CONFIDENTIAL

PAGE 01 QUITO 00155 03 OF 04 102303Z
ACTION ARA-14

INFO OCT-01 ISO-00 CIAE-00 DODE-00 PM-05 H-01 INR-07
L-03 NSAE-00 NSC-05 PA-01 PRS-01 SP-02 SS-15
USIA-06 SSC-01 TRSE-00 /062 W
-----110206 110045Z /75

P R 102050Z JAN 78
FM AMEMBASSY QUITO
TO SECSTATE WASHDC PRIORITY 6860
INFO AMEMBASSY LA PAZ
AMEMBASSY LIMA
AMEMBASSY SANTIAGO
USCINCSO QUARRY HTS CZ

C O N F I D E N T I A L SECTION 3 OF 4 QUITO 0155

NEVERTHELESS, TRADITIONAL POLITICIANS ARE CLEARLY DISCOMFITED BY THEIR PROJECTED LACK OF PUNCH AT THE POLLS IN COMPARISON WITH THE CONCENTRATION OF POPULAR FORCES; AND

AT LEAST THE LIBERALS AND CONSERVATIVES, PLUS THEIR ASSORTED MINOR ALLIES, HAVE BEEN ACTIVELY STUDYING AND CONSIDERING WAYS IN WHICH TO DITCH THE PRESENT RETORNO PROCESS FOR A "SAFER" ALTERNATIVE ROUTE BACK TO DEMOCRACY. THEY ARE LOOKING PRIMARILY FOR A WAY TO BUY TIME IN WHICH TO SHORE UP THEIR CAMPAIGN ORGANIZATIONS, UNATTENDED FOR SO MANY YEARS, AND ALSO IN THE HOPES THAT SOME NATURAL CALAMITY MIGHT BEFALL BUCARAM IN THE INTERIM. THE TRADITIONAL PARTIES POSSESS AT THE SAME TIME DISTASTE FOR MILITARY GOVERNMENT AND ARE TRYING TO RESIST THE TEMPTATION OF EMBRACING A MILITARY-DIRECTED SOLUTION.

11. THE POLITICIANS MOST OPENLY OPPOSED TO THE RETORNO PROCESS COMPRISE A LOOSE GROUPING CALLED THE CIVIC JUNTA CONSISTING OF VELASQUISTAS, THE FOLLOWERS OF CARLOS JULIO AROSEMENA, AND A SPLINTER OF EX-PRESIDENT CAMILO PONCE'S OLD ORGANIZATION--ALL POLITICAL GROUPS WHICH OWED THEIR PAST MOMENTS OF GLORY TO A POPULAR, CAUDILLO-TYPE
CONFIDENTIAL

CONFIDENTIAL

PAGE 02 QUITO 00155 03 OF 04 102303Z

PERSONALITY WHO IS DEAD (PONCE), TOO OLD (VELASCO) OR TOO DISCREDITED (AROSEMENA). ALTHOUGH THESE GROUPS WAVE THE BLOODY SHIRT OF BUCARAM'S CANDIDACY, THEIR OPPOSITION TO THE PRESENT PROCESS LIES MORE IN THAT, ABSENT THEIR CAUDILLO, THEY HAVE NO CHANCE OF ACHIEVING A SHARE OF POWER UNDER THE CURRENT RETORNO PROCESS.

12. ON THE EVE OF THE JANUARY 15 REFERENDUM WE THUS SEE THE CONVERGENCE OF TRADITIONAL POWER CONTENDERS IN AN EFFORT TO BLOCK BUCARAM FROM THE PRESIDENCY BY DISCREDITING THE MILITARY GOVERNMENT'S DICTATED PLAN FOR RETURN TO CONSTITUTIONAL GOVERNMENT. THE CIVIC FRONT OF VELASQUISTAS AND AROSEMENISTAS ARE THE MOST VOCAL IN THE "ANNUL THE VOTE" CAMPAIGN, BUT THERE IS GENEROUS FINANCING BY MEMBERS OF THE GUAYAQUIL BUSINESS OLIGARCHY AND A FEW QUITO INDUSTRIALISTS. MILLIONAIRE QUITO MAGNATE ANTONIO GRANDA CENTENO IS USING HIS DAILY EL TIEMPO TO ATTACK THE REFERENDUM AND LEON FEBRES CORDERO, A WEALTHY PRESIDENTIAL ASPIRANT FROM GUAYAQUIL, HAS BEEN ACCUSED BY CHRISTIAN DEMOCRATIC PARTY LEADER OSVALDO HURTADO OF BANK-ROLLING THE ANTI-REFERENDUM CAMPAIGN. EVEN TRADITIONAL LIBERAL PARTY LEADER AND POSSIBLE PRESIDENTIAL CANDIDATE FRANCISCO HUERTA HAS IK WERBHNWATUUOF#ABSTENTION ALTHOUGH HIS PARTY SUBSEQUENTLY REINDORSED IT AND OFFICIALLY VOTED TO SUPPORT THE NEW CONSTITUTION. THE MILITARY ITSELF HAS ELEMENTS OPPOSED TO THE REFERENDUM, AND THERE ARE REPORTS THAT DURAN HIMSELF IS MASTERMINDING THE "ANNUL YOUR VOTE CAMPAIGN"OF WITH HOPES THAT HE MIGHT BECOME THE SOLE DICTATOR, OR SHARE POWER WITH A TRIUMVIRATE OF HIMSELF AND TWO CIVILIANS.

13. C. ALTERNATIVES

OF THE POSSIBLE ALTERNATIVES TO THE RETORNO PROCESS,
THAT OF DIRECT MILITARY INTERVENTION LEADING TO THE PRO-
CONFIDENTIAL

CONFIDENTIAL

PAGE 03 QUITO 00155 03 OF 04 102303Z

LONGATION OF THE MILITARY GOVERNMENT IS THE MOST OBVIOUS.
HOWEVER, IT MAY BE THE LEAST LIKELY. THE MILITARY HAS
VERY LITTLE MORE TO OFFER THE COUNTRY, AND THE DEBATABLE
BENEFIT OF BLOCKING BUCARAM, WHILE WARMLY WELCOMED IN
SOME SECTORS, WOULD NOT PROVIDE SUFFICIENT JUSTIFICATION
FOR MOST. THE ULTIMATE DENOUEMENT OF A PROLONGED MILITARY
GOVERNMENT WOULD PROBABLY BE AN INCREASING RESORT TO
REPRESSIVE TACTICS AND THE MILITARY'S EVENTUAL DEPARTURE
UNDER CIRCUMSTANCES WHICH WOULD PROBABLY BE SIMILAR TO 1966.
FURTHER, THE MILITARY IS FAR FROM UNITED ON THIS QUESTION,
AND THE FACTORS OF PERSONAL RIVALRIES, INTER-SERVICE
COMPETITION, AND THE ISSUE OF PROPER ROLE OF THE MILITARY
WOULD IMPEDE ANY CONSENSUS. THE QUESTION OF MILITARY
INTEGRITY AND HONOR WOULD ALSO COME INTO PLAY, SINCE ALL
OF THE PRESENT LEADERS HAVE BEEN PUBLICLY AND REPEATEDLY
PLEDGED TO THE RETORNO PROCESS. FINALLY, THE MILITARY
IS QUITE COVETOUS OF ITS RECENT GOOD RELATIONS WITH THE US,
AND THE KNOWLEDGE THAT THE CARTER ADMINISTRATION IS ON
RECORD AS FAVORING AND EXPECTING A RETURN TO REPRESENTATIVE
DEMOCRACY MAY BE ONE OF THE STRONGEST FACTORS HERE.

14. THE CONCEPT OF AN INTERIM PRESIDENCY WHICH WOULD
RULE BY DECREE AND CONVOKE PRESIDENTIAL ELECTIONS
AFTER A YEAR OR SO IN POWER HAS GREAT APPEAL TO LIBERALS
AND CONSERVATIVES WHO BELIEVE THAT ONE OF THEIR OWN, OR
ONE CLOSE TO THEM, WOULD BE TAPPED. THIS WOULD GIVE THEM
THE BREATHING SPACE THEY REQUIRE TO ORGANIZE FOR THE
POLLING AND IT WOULD TERMINATE MILITARY RULE NEATLY.
THE DIFFICULTIES IN THE WAY OF THIS SOLUTION IS THAT IT
WOULD EITHER REPRESENT A MILITARY ADMISSION OF FAILURE IN
THEIR POLITICAL OBJECTIVES, OR THE MILITARY WOULD INSIST
ON PARTICIPATING IN THE GOVERNMENT IN SOME IMPORTANT WAY.
THE LATTER SOLUTION WOULD THEN RENDER PROBLEMATIC THE
PARTICIPATION OF MAJOR CIVILIAN GROUPS.

15. THE MOST PUBLICLY OPPOSED TO THE RETORNO PROCESS
CONFIDENTIAL

CONFIDENTIAL

PAGE 04 QUITO 00155 03 OF 04 102303Z

(VELASQUISTAS, ET. AL.) SUPPORT THE ALTERNATIVE OF A CON-
STITUENT ASSEMBLY, THE TRADITIONAL DEVICE IN ECUADOREAN
HISTORY FOR BRIDGING THE TRANSITION FROM DE FACTO GOVERNMENTS.

THEY IMPUGN THE LEGALITY OF CONSTITUTIONAL DRAFTING
PROCEDURE WHEREIN THE COMMISSIONS WERE APPOINTED BY THE
DE FACTO GOVERNMENT. THEIR SUPPORT FOR THE CONSTITUENT
ASSEMBLY DEVICE STEMS FROM THE REALIZATION THAT THEIR
RATHER MODEST STRENGTH UNDER THE PRESENTLY PROJECTED SYSTEM
COULD BE AMPLIFIED GREATLY IF THEY COULD BE PERMITTED TO
EXPLOIT THE PERSIAN MARKET ATMOSPHERE WHICH HAS CHARACTERIZED
RECENT CONSTITUENT ASSEMBLIES. THEY BROADLY IMPLY THAT

NOTE BY OCT: # AS RECEIVED.

CONFIDENTIAL

NNN

CONFIDENTIAL

PAGE 01 QUITO 00155 04 OF 04 102332Z
ACTION ARA-14

INFO OCT-01 ISO-00 CIAE-00 DODE-00 PM-05 H-01 INR-07
L-03 NSAE-00 NSC-05 PA-01 PRS-01 SP-02 SS-15
USIA-06 SSC-01 TRSE-00 /062 W
-----110414 110044Z /75

P R 102050Z JAN 78
FM AMEMBASSY QUITO
TO SECSTATE WASHDC PRIORITY 6861
INFO AMEMBASSY LA PAZ
AMEMBASSY LIMA
AMEMBASSY SANTIAGO
USCINCSO QUARRY HTS CZ

C O N F I D E N T I A L SECTION 4 OF 4 QUITO 0155

BUCARAM WOULD BE AT A DISADVANTAGE IN THIS SETTING
AND THAT WAYS COULD BE FOUND IN THE NEW CONSTITUTION
TO FRUSTRATE HIS CHANCES. HOWEVER, AS A RESULT OF THE
CONSTITUENT ASSEMBLY EXPERIENCE THE LAST TIME IT WAS
ESSAYED (1966-68), THE DEVICE HAS FALLEN INTO ILL
REPUTE. THE BLATANT BUYING OF VOTES FOR THE PROVISIONAL
PRESIDENCY, THE PLATFORM FOR DEMAGOGUERY IT PROVIDED, AND
ATTACKS THAT WERE LAUNCHED AGAINST THE DEPARTING
MILITARY GOVERNMENT ALIENATED A MAJOR SEGMENT OF PUBLIC
OPINION, NOT THE LEAST OF WHICH WAS THE MILITARY. CON-
SEQUENTLY, THE CONSTITUENT ASSEMBLY IS NOT LIKELY TO
EMERGE AS THE ALTERNATIVE UNLESS THERE IS A VERTIGINOUS
COLLAPSE OF THE MILITARY GOVERNMENT'S POWER AND PRESTIGE.

16. THE MOST TEMPTING ALTERNATIVE TO THE PRESENT PLAN
IS NOT REALLY AN ALTERNATIVE AT ALL, BUT RATHER A DECISION

TO RETAIN THE PRESENT PROCEDURE, BUT EXCLUDE BUCARAM FROM IT. ALTHOUGH SEVERAL OPPORTUNITIES TO DO THIS HAVE BEEN SQUANDERED THROUGH LACK OF COORDINATION BETWEEN MILITARY AND CIVILIAN SECTORS, INDECISIVENESS, AND FEAR OF THE CONSEQUENCES, THE ALTERNATIVE WILL REAMIN ALIVE AS LONG
CONFIDENTIAL

CONFIDENTIAL

PAGE 02 QUITO 00155 04 OF 04 102332Z

AS THE MILITARY MANAGES THE PROCESS. IT COULD COME, FOR EXAMPLE IN THE FORM OF A PROVISIONAL ELECTORAL STATUTE ISSUED AFTER THE REFERENDUM WHICH ESTABLISHES ONE-TIME CRITERIA FOR PRESIDENTIAL QUALIFICATIONS. IT COULD ALSO COME IN A LAST MINUTE CHALLENGE TO BUCARAM'S CLAIM TO BE A NATIVE-BORN ECUADOREAN. SUCH A SOLUTION WOULD COMMAND CONSIDERABLE, ALBEIT NOT NECESSARILY UNANIMOUS, SUPPORT AMONG THE KEY GROUPS DISCUSSED ABOVE. WHILE THERE WOULD BE FEAR THAT BUCARAM'S FOLLOWERS MIGHT REACT SHARPLY AND VIOLENTLY, IT IS A CALCULATED RISK WHICH THE GOVERNMENT MAY BE WILLING TO TAKE.

17. D. CONCLUSIONS

AS OUR ANALYSIS INDICATES, ALL OF THE ALTERNATIVES TO PRESENT RETORNO POSSESS CERTAIN DRAWBACKS AND FACE DIFFICULTIES IN THEIR EXECUTION: INTERVENTION AIMED AT PROLONGING THE MILITARY IN POWER SEEMS UNLIKELY IN VIEW OF THE CONFLICTING PRESSURES WITHIN THE MILITARY, AND NOT VERY VIABLE AS A RESULT OF THE GENERAL CONSENSUS THAT THE MILITARY HAS RUN OUT OF GAS; THE CONSTITUENT ASSEMBLY PROCEDURE IS THE MOST ANATHEMA TO THE MILITARY AND COULD NOT OCCUR IF THE MILITARY RETAINED ITS POLITICAL INFLUENCE; AN INTERIM PRESIDENCY WOULD FACE SIMILAR RELUCTANCE ON THE PART OF THE MILITARY AS WELL AS RAISE DEEP QUESTIONS ABOUT THE DEGREE OF MILITARY INFLUENCE IN THE PROVISIONAL GOVERNMENT; THE EXCLUSION OF BUCARAM LEGALLY HAS BEEN FUMBLER IN THE PAST AND THE POSSIBILITY OF PUBLIC DISTURBANCES ALSO MILITATES AGAINST IT. AS A RESULT, THE PRESENT RETORNO PROCESS, FOR BETTER OR OFR WORSE, SEEMS AT LEAST AT THIS POINT LIKELY TO PROGRESS FARTHER DOWN THE ROAD CARRIED FORWARD BY ITS OWN MOMENTUM. AS STATED EARLIER, THERE IS ALSO SOME REASON TO THINK THAT WITH TIME BUCARAM IS BECOMING LESS OF AN
CONFIDENTIAL

CONFIDENTIAL

PAGE 03 QUITO 00155 04 OF 04 102332Z

OGRE AND THE PERCEIVED DENGERS OF HIS PRESIDENCY BECOMING LESS AWESOME, BUT IS STILL DOUBTFUL THAT HE CAN GAIN SUFFICIENT GROUND TO BE FULLY ACCEPTABLE BY JULY 1978. AS THE DATE FOR ELECTIONS DRAWS CLOSER,

IT IS MORE LIKELY THAT THE FEARS DESCRIBED ABOVE COULD INTENSIFY AMONG SOME ESTABLISHMENT LEADERS, AND THIS IN TURN COULD REDUCE THE INHIBITIONS ON THE ALTERNATIVES TO THE CURRENT RETORNO, THUS ALTERING THIS ASSESSMENT.

18. E. US POLICY

THE US, SINCE THE VISIT HERE BY MRS CARTER, HAS COME TO BE IDENTIFIED WITH THE RETURN TO DEMOCRATIC INSTITUTIONS. INDEED, THE ARGUMENT OF US INTEREST IN THE RETORNO HAS REPORTEDLY BEEN USED BY ADMIRAL POVEDA TO SHORE UP MILITARY DETERMINATION TO CARRY IT OUT AND TO KEEP OFF BALANCE THOSE LIKE FELLOW TRIUMVIR GENERAL DURAN, WHO SEEMS TO BE PERPETUALLY PLOTTING TO CONSOLIDATE HIMSELF IN POWER. ON THE OTHER HAND WE ARE NEITHER IDENTIFIED WITH ANY OF THE COMPETING POLITICAL OR OTHER POWER CONTENDERS, NOR ARE WE SEEN AS WEDDED TO ANY SINGLE SCHEME TO ACHIEVE DEMOCRACY HERE. THE PRESENT PROCESS, DESPITE THE POTENTIALLY DESTABILIZING FACTOR OF BUCARAM'S CANDIDACY, HAS THE ATTRACTION OF BEING THE FASTEST WAY TO REPRESENTATIVE GOVERNMENT AND THE ONLY CONCRETE ONE. IN THE WORST CASE, THAT OF A PURELY MILITARY "AUTO-GOLPE", IT WOULD PROBABLY BEHOOVE US TO REACT FROSTILY, IF NOT NEGATIVELY. (WE COULD HAVE OUR CAKE AND EAT IT TOO, IN THIS CASE, SINCE WE DOUBT SERIOUSLY WHETHER SUCH A GOVERNMENT COULD SURVIVE VERY LONG). IN THE CASE OF A PROVISIONAL PRESIDENCY, DOMINATED BY THE MILITARY, OUR REACTION SHOULD BE SIMILARLY SHADED TOWARD THE NEGATIVE. HOWEVER, IN ANY OF THE OTHER CONTINGENCIES, -- ALL OF WHICH WOULD REPRESENT PROGRESS TOWARD THE RETURN OF CONSTITUTIONALITY-- WE WOULD NOT LOSE ANYTHING BY ADOPTING A NEUTRAL ATTITUDE, DESPITE OUR DOUBTS CONCERNING THE WISDOM OR

CONFIDENTIAL

CONFIDENTIAL

PAGE 04 QUITO 00155 04 OF 04 102332Z

THE FAIRNESS OF THE PROCEDURE. FOR THE UNITED STATES TO OBJECT TO THIS KIND OF A CHANGE IN THE GAME PLAN WOULD LEAVE IT OPEN TO CHARGES OF PATERNALISTIC MEDDLING IN ECUADOR'S INTERNAL AFFAIRS.

19. EVEN IF THE ANTI-BUCARAM FORCES SHOULD RESORT TO MORE BLATANT MEASURES TO BLOCK HIS CANDIDACY, SUCH AS A LEGAL ARTIFICE TO DISQUALIFY HIM, CONCRETE SIGNS OF US DISAPPROVAL COULD EASILY LEAD TO A MISUNDERSTANDING HERE OF OUR MOTIVES. OUR PRIMARY CONCERN HERE SHOULD BE THE PRESERVATION OF BASIC HUMAN RIGHTS AND PROGRESS ON SOCIAL JUSTICE. WHILE THESE GOALS MAY BE MORE DIFFICULT TO ATTAIN IN THE ABSENCE OF A FULL-FLEDGED DEMOCRATIC ELECTION (I.E., ONE THAT ALLOWS ALL PUTATIVE CANDIDATES TO RUN), THEY ARE STILL MORE LIKELY TO BE ADVANCED UNDER A CIVILIAN REGIME, WITH A FUNCTIONING CONGRESS, THAN UNDER A MILITARY

GOVERNMENT.
BLOOMFIELD

CONFIDENTIAL

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 jan 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: DEMOCRACY
Control Number: n/a
Copy: SINGLE
Draft Date: 10 jan 1978
Decaption Date: 01 jan 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 20 Mar 2014
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1978QUITO00155
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: GS
Errors: N/A
Expiration:
Film Number: D780015-0454
Format: TEL
From: QUITO
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1978/newtext/t19780180/aaaacpww.tel
Line Count: 604
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: 71aaeae4-c288-dd11-92da-001cc4696bcc
Office: ACTION ARA
Original Classification: CONFIDENTIAL
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 11
Previous Channel Indicators: n/a
Previous Classification: CONFIDENTIAL
Previous Handling Restrictions: n/a
Reference: n/a
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 23 jun 2005
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 3800990
Secure: OPEN
Status: NATIVE
Subject: ECUADOR'S RETURN TO CONSTITUTIONAL DEMOCRACY: AN ALTERNATIVE ROUTE?
TAGS: PINT, EC
To: STATE
Type: TE
vdkgvwkey: odb://SAS/SAS.dbo.SAS_Docs/71aaeae4-c288-dd11-92da-001cc4696bcc
Review Markings:
Sheryl P. Walter
Declassified/Released
US Department of State
EO Systematic Review
20 Mar 2014
Markings: Sheryl P. Walter Declassified/Released US Department of State EO Systematic Review 20 Mar 2014